

Summary: Former Counselor to the Secretary Failed To Comply With the STOCK Act and Misused Their Position To Benefit Friends

Report Date: June 3, 2022

Report Numbers: 18-1157 and 19-0852

The OIG investigated allegations that a former counselor to the Secretary failed to properly notify the U.S. Department of the Interior (DOI) Ethics Office that the former counselor was negotiating with non-Federal entities for employment. In addition, we investigated whether the former counselor violated Federal conflict of interest provisions by working on official DOI matters related to an oil company while also negotiating with that company for employment.

We determined that the former counselor failed to comply with the 3-business-day deadline for notifying the DOI Ethics Office of employment negotiations with an oil company as required by the Stop Trading on Congressional Knowledge Act of 2012 (STOCK Act). We did not find that the former counselor violated Federal conflict of interest provisions with respect to the oil company, in part because we did not find evidence that the former counselor negotiated with the company for employment before or during the times the former counselor worked on official matters related to the company.

In a separate matter, we investigated allegations that the former counselor misused their position in violation of the Standards of Ethical Conduct for Employees of the Executive Branch by working on official matters involving an energy company that the former counselor had previously represented as a lawyer and by arranging for and giving presentations to a private investment firm where a friend and former business associate worked. We also investigated whether the former counselor complied with their ethics pledge by participating in official matters that involved the energy company the former counselor formerly represented.

We found that the former counselor misused their position by assisting a friend in obtaining a meeting in 2017 between senior officials with the Bureau of Ocean Energy Management and the energy company and its business partner. The energy company and its business partner were seeking to discuss their joint project as well as their efforts to have that project covered by streamlined permitting under a DOI program. We also found that the former counselor misused their position by arranging and giving presentations for the benefit of an investment firm where a second friend and former business associate worked.

Even though we found that the former counselor misused their position by arranging the meeting in 2017, we did not find evidence that the former counselor personally and substantially participated in that or any other meeting or in communications with their former client (the energy company) or that the former counselor otherwise participated in their former client's project at the DOI. Thus, we did not substantiate that the former counselor violated the ethics pledge in connection with those matters.

The former counselor left Federal service in 2018. Through the attorney of the former counselor, the former counselor declined our requests for an interview on these matters.

We provided both reports to the Chief of Staff for the Office of the Secretary for any action deemed appropriate.

